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200. TAXATION

The financing pattern of the State laws is influenced by the Federal Unemployment Tax Act, since employers may credit toward the Federal payroll tax the State contributions which they pay under an approved State law. They may credit also any savings on the State tax under an approved experience-rating plan. There is no Federal tax levied against employees.

The increase in the Federal payroll tax from 3.0 percent to 3.1 percent, effective January 1, 1961, from 3.1 percent to 3.2 percent, effective January 1, 1970, and from 3.2 percent to 3.4 percent effective January 1, 1977, for any year in which there are outstanding advances in the Federal extended unemployment compensation account, did not change the base for computing the credit allowed employers for their contributions under approved State laws. The total credit continues to be limited to 90 percent of 3.0 percent, exactly as it was prior to these increases in the Federal payroll tax.

205 Source of Funds

All the States finance unemployment benefits mainly by contributions from subject employers on the wages of their covered workers; in addition, three States collect employee contributions. The funds collected are held for the States in the unemployment trust fund in the U.S. Treasury, and interest is credited to the State accounts. Money is drawn from this fund to pay benefits or to refund contributions erroneously paid.

States with depleted reserves may, under specified conditions, obtain advances from the Federal unemployment account to finance benefit payments. If the required amount is not restored by November 10 of a specified taxable year, the allowable credit against the Federal tax for that year is decreased in accordance with the provisions of section 3302(c) of the Federal Unemployment Tax Act.

205.01 Employer contributions.--In most States the standard rate--the rate required of employers until they are qualified for a rate based on their experience--is 2.7 percent, the maximum allowable credit against the Federal tax. Similarly, in most States, the employer's contribution, like the Federal tax, is based on the first $6,000 paid to (or earned by) a worker within a calendar year. Deviations from this pattern are shown in Table 200.

Most States follow the Federal pattern in excluding from taxable wages payment by the employer of the employees' tax for Federal old-age and survivors insurance, and payments from or to certain special benefit funds for employees. Under the State laws, wages include the cash value of remuneration paid in any medium other than cash and, in many States, gratuities received in the course of employment from other than the regular employer.

In every State an employer is subject to certain interest or penalty payments for delay or default in payment of contributions, and usually incurs penalties for failure or delinquency in making reports. In addition, the State administrative agencies have legal recourse to collect contributions, usually involving jeopardy assessments, levies, judgments, liens, and civil suits.

The employer who has overpaid is entitled to a refund in every State. Such refunds may be made within time limits ranging from 1 to 6 years; in a few States no limit is specified.

205.02 Standard rates.--The standard rate of contributions under all but a few State laws is 2.7 percent. In New Jersey, the standard rate is 2.8 percent; Puerto Rico, 2.9 percent; Hawaii, Ohio, Nevada and Utah, 3.0; Montana and Oklahoma, 3.1. In Idaho the standard rate is 2.7 percent if the ratio of the unemployment fund, as of the computation date, to the total payroll for the fiscal year is 3.25 percent or more; when the ratio falls below this point, the standard rate is 2.9 percent and, at specified lower ratios, 3.1 or 3.3 percent. Kansas has no standard contribution rate, although employers not eligible for an experience rate, and not considered as newly covered, pay at the maximum rate. Oregon has no standard rate and employers not eligible for an experience rate pay at rates ranging from 2.7 to 3.5 percent, depending on the rate schedule in effect for rated employers. Until January 1, 1980, newly-covered agricultural employers will pay at a 3.0 percent rate in Oregon.

While, in general, new and newly-covered employers pay the standard rate until they meet the requirements for experience rating, in some States they may pay a lower rate (Table 202) while in six other States they may pay a higher rate because of provisions requiring *all* employers to pay an additional contribution. In Wisconsin an additional rate of 1.3 percent will be required of a new employer if the account becomes overdrawn *and* the payroll is $20,000 or more. In addition, a solvency rate (determined by the fund's treasurer) may be added for a new employer with a 4.0 percent rate (Table 206, footnote 11). In the other five States, the additional contribution provisions are applied when fund levels reach specified points or to restore to the fund amounts expended for noncharged or ineffectively charged benefits. Ineffectively charged benefits include those paid and charged to inactive and terminated accounts and those paid and charged to an employer's experience rating account after the previously charged benefits to the account were sufficient to qualify the employer for the maximum contribution rate. See section 235 for noncharging of benefits. The maximum total rate that would be required of new or newly-covered employers under these provisions is 3.2 percent in Missouri; 3.5 percent in Ohio; 3.7 percent in New York; and 4.2 percent in Delaware. No maximum rate is specified for new employers in Wyoming.

205.03 Taxable wage base.--Only a few States have adopted a higher tax base than that provided in the Federal Unemployment Tax Act. In these States an employer pays a tax on wages paid to (or earned by) each worker within a calendar year up to the amount specified in Table 200. In Puerto Rico the tax is levied on the total amount of a worker's wages. In addition, most of the States provide an automatic adjustment of the wage base if the Federal law is amended to apply to a higher wage base than that specified under State law (Table 200).

205.04 Employee contributions.--Only Alabama, Alaska, and New Jersey collect employee contributions and of the nine States[1] that formerly collected such contributions, only Alabama and New Jersey do so now. The wage base used for the collection of employee contributions is the same as used for their employers (Table 200). Employee contributions are deducted by the employer from the workers' pay and sent with the employer's own contribution to the State agency. In Alabama and New Jersey employees pay contributions of 0.5 percent. However, in Alabama employees pay contributions only when the fund is below the minimum normal amount; otherwise, they are not liable for contributions. In Alaska employee contribution rates vary from 0.3 percent to 0.8 percent, depending on the rate schedule in effect.

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[1] Ala., Calif., Ind., Ky., La., Mass., N.H., N.J., and R.I.

205.05 Financing of administration.--The Social Security Act undertook to assure adequate provisions for administering the unemployment insurance program in all States by authorizing Federal grants to States to meet the total cost of "proper and efficient administration" of approved State unemployment insurance laws. Thus, the States have not had to collect any tax from employers or to make any appropriations from general State revenues for the administration of the employment security program which includes the unemployment insurance program.

Receipts from the residual Federal unemployment tax--0.3 percent of taxable wages through calendar year 1960, 0.4 percent through calendar year 1969, 0.5 through 1976 and 0.7 thereafter--are automatically appropriated and credited to the employment security administration account--one of three accounts--in the Federal Unemployment Trust Fund. Congress appropriates annually from the administration account the funds necessary for administering the Federal-State employment security program. A second account is the Federal unemployment account. Funds in this account are available to the State for non-interest bearing repayable advances to States with low reserves with which to pay benefits. A third account--the extended unemployment compensation account--is used to reimburse the States for the Federal share of Federal-State extended benefits.

On June 30 of each year the net balance and the excess in the employment security administration account are determined. Under Public Law 91-373, enacted in 1970, no transfer from the administration account to other accounts is made until the amount in that account is equal to 40 percent of the amount appropriated by the Congress for the fiscal year for which the excess is determined. Transfers to the extended unemployment compensation account from the employment security administration account are equal to one-tenth (before April 1972, one-fifth) of the net monthly collections. After June 30, 1972, the maximum fund balance in the extended unemployment compensation account will be the greater of $750 million or 0.125 percent of total wages in covered employment for the preceding calendar year. At the end of the fiscal year, any excess not retained in the administration account or not transferred to the extended unemployment compensation account is used first to increase the Federal unemployment account to the greater of $550 million or 0.125 percent of total wages in covered employment for the preceding calendar year. Thereafter, except as necessary to maintain legal maximum balances in these three accounts, excess tax collections are to be allocated to the accounts of the States in the Unemployment Trust Fund in the same proportion that their covered payrolls bear to the aggregate covered payrolls of all States.

The sums allocated to States' Trust accounts are to be generally available for benefit purposes. Under specified conditions a State may, however, through a special appropriation act of its legislature, utilize the allocated sums to supplement Federal administrative grants in financing its operation. Forty-five[1] States have amended their unemployment insurance laws to permit use of some of such sums for administrative purposes, and most States have appropriated funds for buildings, supplies, and other administrative expenses.

205.06 Special State funds.--Forty-five[2] States have set up special administrative funds, made up usually of interest on delinquent contributions, fines and penalties, to meet special needs. The most usual statement of purpose includes one or more of these three items: (1) to cover expenditures for which Federal funds

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1/ All States except Del., D.C, Ill., N.C., Okla., P.R., and S.Dak.

2/ All States except Hawaii, Minn., Miss., Mont., N.Dak., Okla., and R.I.

have been requested but not yet received, subject to repayment to the fund; (2) to pay costs of administration found not to be properly chargeable against funds obtained from Federal sources; and (3) to replace funds lost or improperly expended for purposes other than, or in amounts in excess of, those found necessary for proper administration. A few of these States provide for the use of such funds for the purchase of land and erection of buildings for agency use, and North Carolina, for enlargement, extension, repairs or improvement of buildings. In New York the fund may be used to finance training, subsistence, and transportation allowances for individuals receiving approved training. In Puerto Rico the fund may be used to pay benefits to workers who have partial earnings in exempt employment. In some States the fund is limited; when it exceeds a specified sum ($1,000 to $251,000) the excess is transferred to the unemployment compensation fund or, in one State, to the general fund.

210 Type of Fund

The first State system of unemployment insurance in this country (Wisconsin) set up a separate reserve for each employer. To this reserve were credited the contributions of the employer and from it were paid benefits to the employees so long as the account had a credit balance. Most of the States enacted "pooled-fund" laws on the theory that the risk of unemployment should be spread among all employers and that workers should receive benefits regardless of the balance of the contributions paid by the individual employer and the benefits paid to such workers. All States now have pooled unemployment funds.

215 Experience Rating

All State laws, except Puerto Rico and the Virgin Islands, have in effect some system of experience rating by which individual employers' contribution rates are varied from the standard rate on the basis of their experience with the risk of unemployment. For special financing provisions applicable to governmental entities, see section 250.

215.01 Federal requirements for experience rating.--State experience-rating provisions have developed on the basis of the additional credit provisions of the Social Security Act, now the Federal Unemployment Tax Act, as amended. The Federal law allows employers additional credit for a lowered rate of contribution if the rates were based on not less than 3 years of "experience with respect to unemployment or other factors bearing a direct relation to unemployment risk." This requirement was modified by amendment in 1954 which authorized the States to extend experience-rating tax reductions to new and newly covered employers after they have had at least 1 year of such experience. The requirement was further modified by the 1970 amendments which permitted the States to allow a reduced rate (but not less than one percent) on a "reasonable basis".

215.02 State requirements for experience rating.--In most States 3 years of experience with unemployment means more than 3 years of coverage and contribution experience. Factors affecting the time required to become a "qualified" employer include (1) the coverage provisions of the State law ("at any time" vs. 20 weeks; Table 100); (2) in States using benefits or benefit derivatives in the experience-rating formula, the type of base period and benefit year and the lag between these two periods, which determine how soon a new employer may be charged for benefits; (3) the type of formula used for rate determinations; and (4) the length of the period between the date as of which rate computations are made and the effective date for rates.

220 Types of Formulas for Experience Rating

Under the general Federal requirements, the experience-rating provisions of State laws vary greatly, and the number of variations increases with each legislative year. The most significant variations grow out of differences in the formulas used for rate determinations. The factor used to measure experience with unemployment is the basic variable which makes it possible to establish the relative incidence of unemployment among the workers of different employers. Differences in such experience represent the major justification for differences in tax rates, either to provide an incentive for stabilization of unemployment or to allocate the cost of unemployment. At present there are four distinct systems, usually identified as reserve-ratio, benefit-ratio, benefit-wage-ratio, and payroll-decline formulas. A few States have combinations of the systems.

In spite of significant differences, all systems have certain common characteristics. All formulas are devised to establish the relative experience of individual employers with unemployment or with benefit costs. To this end, all have factors for measuring each employer's experience with unemployment or benefit expenditures, and all compare this experience with a measure of exposure--usually payrolls--to establish the relative experience of large and small employers. However, the five systems differ greatly in the construction of the formulas, in the factors used to measure experience and the methods of measurement, in the number of years over which the experience is recorded, in the presence or absence of other factors, and in the relative weight given the various factors in the final assignment of rates.

220.01 Reserve-ratio formula.--The reserve ratio was the earliest of the experience-rating formulas and continues to be the most popular. It is now used in 32 States (Table 200). The system is essentially cost accounting. On each employer's record are entered the amount of his payroll, his contributions, and the benefits paid to his workers. The benefits are subtracted from the contributions, and the resulting balance is divided by the payroll to determine the size of the balance in terms of the potential liability for benefits inherent in wage payments. The balance carried forward each year under the reserve-ratio plan is ordinarily the difference between the employer's total contributions and the total benefits received by his workers since the law became effective. In the District of Columbia, Idaho, and Louisiana, contributions and benefits are limited to those since a certain date in 1939, 1940, or 1941, and in Rhode Island they are limited to those since October 1, 1958. In Missouri they may be limited to the last 5 years if that works to an employer's advantage. In New Hampshire an employer whose rate is determined to be 3.5 percent or over may make an irrevocable election to have his rate computed thereafter on the basis of his 5 most recent years of experience. However, his new rate may not be less than 2.7 percent except for uniform rate reduction based on the fund balance.

The payroll used to measure the reserves is ordinarily the last 3 years but Massachusetts, New York, South Carolina, Tennessee, and Wisconsin figure reserves on the last year's payrolls only. Idaho and Nebraska use 4 years. Arkansas gives the employer the advantage of the lesser of the average 3- or 5-year payroll, or, at his option, the last year's payroll. Rhode Island uses the last year's payroll or the average of the last 3 years, whichever is lesser. New Jersey protects the fund by using the higher of the average 3- or 5-year payroll.

The employer must accumulate and maintain a specified reserve before his rate is reduced; then rates are assigned according to a schedule of rates for specified ranges of reserve ratios; the higher the ratio, the lower the rate. The formula is

designed to make sure that no employer will be granted a rate reduction unless over the years he contributes more to the fund than his workers draw in benefits. Also, fluctuations in the State fund balance affect the rate that an employer will pay for a given reserve; an increase in the State fund may signal the application of an alternate tax rate schedule in which a lower rate is assigned for a given reserve and, conversely, a decrease in the fund balance may signal the application of an alternate tax schedule which requires a higher rate.

220.02 Benefit-ratio formula.--The benefit-ratio formula also uses benefits as the measure of experience, but eliminates contributions from the formula and relates benefits directly to payrolls. The ratio of benefits to payrolls is the index for rate variation. The theory is that, if each employer pays a rate which approximates his benefit ratio, the program will be adequately financed. Rates are further varied by the inclusion in the formulas of three or more schedules, effective at specified levels of the State fund in terms of dollar amounts or a proportion of payrolls or fund adequacy percentage. In Florida and Wyoming an employer's benefit ratio becomes his contribution rate after it has been adjusted to reflect noncharged benefits and balance of fund. The adjustment in Florida also considers excess payments. In Pennsylvania rates are determined on the basis of three factors - funding, experience, and State adjustment. In Michigan and Mississippi rates are also based on the sum of three factors: the employer's experience rate; a State rate to recover noncharged or ineffectively charged benefits; and an adjustment rate to recover fund benefit costs not otherwise recoverable. In Texas rates are based on a State replenishment ratio in addition to the employer's benefit ratio.

Unlike the reserve ratio, the benefit-ratio system is geared to short-term experience. Only the benefits paid in the most recent 3 years are used in the determination of the benefit ratios except in Michigan, where the last 5 years of benefits are used. (Table 203).

220.03 Benefit-wage-ratio formula.--The benefit-wage formula is radically different. It makes no attempt to measure all benefits paid to the workers of individual employers. The relative experience of employers is measured by the separations of workers which result in benefit payments, but the duration of their benefits is not a factor. The separations, weighted with the wages earned by the workers with each base-period employer, are recorded on each employer's experience-rating record as benefit wages. Only one separation per beneficiary per benefit year is recorded for any one employer, but the charging of any benefit wages has been postponed until benefits have been paid in the State specified: in Oklahoma until payment is made for the second week of unemployment; in Alabama, Illinois and Virginia, until the benefits paid equal three times the weekly benefit amount. The index which is used to establish the relative experience of employers is the proportion of each employer's payroll which is paid to those of his workers who become unemployed and receive benefits; i.e., the ratio of his benefit wages to his total taxable wages.

The formula is designed to assess variable rates which will raise the equivalent of the total amount paid out as benefits. The percentage relationship between total benefit payments and total benefit wages in the State during 3 years is determined. This ratio, known as the State experience factor, means that, on the average, the workers who drew benefits received a certain amount of benefits for each dollar of benefit wages paid and the same amount of taxes per dollar of benefit wages is needed to replenish the fund. The total amount to be raised is distributed among employers in accordance with their benefit-wage ratios; the higher the ratio, the higher the rate.

Individual employer's rates are determined by multiplying the employer's experience factor by the State experience factor. The multiplication is facilitated by a table which assigns rates which are the same as, or slightly more than, the product of the employer's benefit-wage ratio and the State factor. The range of the rates is, however, limited by a minimum and maximum. The minimum and the rounding upward of some rates tend to increase the amount which would be raised if the plan were affected without the table; the maximum, however, decreases the income from employers who would otherwise have paid higher rates.

220.04 Payroll variation plan.--The payroll variation plan is independent of benefit payments to individual workers; neither benefits nor any benefit derivatives are used to measure unemployment. Experience with unemployment is measured by the decline in an employer's payroll from quarter to quarter or from year to year. The declines are expressed as a percentage of payrolls in the preceding period, so that experience of employers with large and small payrolls may be compared. If the payroll shows no decrease or only a small percentage decrease over a given period, the employer will be eligible for the largest proportional reductions.

Alaska measures the stability of payrolls from quarter to quarter over a 3-year period; the changes reflect changes in general business activity and also seasonal or irregular declines in employment. Washington measures the last 3 years' annual payrolls on the theory that over a period of time the greatest drains on the fund result from declines in general business activity.

Utah measures the stability of both annual and quarterly payrolls and, as a third factor, the duration of liability for contributions, commonly called the age factor. Employers are given additional points if they have paid contributions over a period of years because of the unemployment which may result from the high business mortality which often characterizes new businesses. Montana also has three factors: annual declines, age, and a ratio of benefits to contributions; no reduced rate is allowed to an employer whose last 3-year benefit payments have exceeded contributions.

The payroll variation plans use a variety of methods for reducing rates. Alaska arrays employers according to their average quarterly decline quotients and groups them on the basis of cumulative payrolls in 10 classes for which rates are specified in a schedule. Montana classifies employers in 14 classes and assigns rates designed to yield a specified percent of payrolls varying with the fund balance.

In Utah, employers are grouped in 10 classes according to their combined experience factors and rates are assigned from 1 to 7 rate schedules. Washington determines the surplus reserves as specified in the law and distributes the surplus in the form of credit certificates applicable to the employer's next year's tax (Table 206). The amount of credit depends on the points assigned to each employer on the basis of the sum of the average annual decrease quotient and the benefit ratio. These credit certificates reduce the amount rather than the rate of tax; their influence on the rate depends on the amount of the next year's payrolls.

225 TRANSFER OF EMPLOYERS' EXPERIENCE

Because of Federal requirements, no rate can be granted based on experience unless the agency has at least a 1-year record of the employer's experience with the factors used to measure unemployment. Without such a record there would be no basis for rate determination. For this reason all State laws specify the conditions under

which the experience record of a predecessor employer may be transferred to an employer who, through purchase or otherwise, acquires the predecessor's business. In some States (Table 204) the authorization for transfer of the record is limited to total transfers; i.e., the record may be transferred only if a single successor employer acquires the predecessor's organization, trade, or business and substantially all its assets. In the other States the provisions authorize partial as well as total transfers; in these States, if only a portion of a business is acquired by any one successor, that part of the predecessor's record which pertains to the acquired portion of the business may be transferred to the successor.

In most States the transfer of the record in cases of total transfer automatically follows whenever all or substantially all of a business is transferred. In the remaining States the transfer is not made unless the employers concerned request it.

Under most of the laws, transfers are made whether the acquisition is the result of reorganization, purchase, inheritance, receivership, or any other cause. Delaware, however, permits transfer of the experience record to a successor only when there is substantial continuity of ownership and management, and Colorado permits such transfer only if 50 percent or more of the management also is transferred.

Some States condition the transfer of the record on what happens to the business after it is acquired by the successor. For example, in some States there can be no transfer if the enterprise acquired is not continued (Table 204); in 3 of these States (California, District of Columbia, and Wisconsin) the successor must employ substantially the same workers. In 22 States[1] successor employers must assume liability for the predecessor's unpaid contributions, although in the District of Columbia, Massachusetts, and Wisconsin, successor employers are only secondarily liable.

Most States establish by statute or regulation the rate to be assigned the successor employer from the date of the transfer to the end of the rate year in which the transfer occurs. The rate assignments vary with the status of the successor employer prior to the acquisition of the predecessor's business. Over half the States provide that an employer who has a rate based on experience with unemployment shall continue to pay that rate for the remainder of the rate year; the others, that a new rate be assigned based on the employer's own record combined with the acquired record (Table 204).

230 Differences in Charging Methods

Various methods are used to identify the employer who will be charged with benefits when a worker becomes unemployed and draws benefits. Except in the case of very temporary or partial unemployment, compensated unemployment occurs after a worker-employer relationship has been broken. Therefore, the laws indicate in some detail which one or more of the former employers should be charged with the claimant's benefits. In the reserve-ratio and benefit-ratio States, it is the claimant's benefits that are charged; in the benefit-wage States, the benefit wages. There is, of course, no charging of benefits in the payroll-decline systems.

In most States the maximum amount of benefits to be charged is the maximum amount for which any claimant is eligible under the State law. In Arkansas, Colorado, Michigan, and Oregon, an employer who willfully submits false information

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[1] Ark., Calif., D.C., Ga., Idaho, Ill., Ind., Ky., Maine, Mass., Mich., Minn., Mo., Nebr., N.H., N.Mex., Ohio, Okla., S.C., Va., W.Va., and Wisc.

on a benefit claim to evade charges is penalized: In Arkansas, by charging the employer's account with twice the claimant's maximum potential benefits; in Oregon, with 2 to 10 times the claimant's weekly benefit amount; in Colorado, with 1-1/2 times the amount of benefits due during the delay caused by the false statement and all of the benefits paid to the claimant during the remainder of the benefit year; and in Michigan by a forfeiture to the Commission of an amount equal to the total benefits which are or would be allowed the claimant.

In the States with benefit-wage-ratio formulas, the maximum amount of benefit wages charged is usually the amount of wages required for maximum annual benefits; in Alabama and Delaware, the maximum taxable wages.

230.01 Charging most recent employers.--In four States, Maine, New Hampshire, South Carolina, and West Virginia, with a reserve-ratio system, Connecticut and Vermont with a benefit ratio, Virginia with a benefit-wage-ratio, and Montana with a benefit-contributions-ratio, the most recent employer gets all the charges on the theory of primary responsibility for the unemployment.

All the States that charge benefits to the last employer relieve an employer of these charges if only casual or short-time employment is involved. Maine limits charges to a most recent employer who employed the claimant for more than 5 consecutive weeks; New Hampshire, more than 4 weeks; Montana, more than 3 weeks; Virginia and West Virginia, at least 30 days. South Carolina omits charges to employers who paid a claimant less than eight times the weekly benefit, and Vermont, less than $695.

Connecticut charges the one or two most recent employers who employed a claimant 4 weeks or more in the 8 weeks prior to filing the claim, but charges are omitted if the employer paid $200 or less.

230.02 Charging base-period employers in inverse chronological order.--Some States limit charges to base-period employers but charge them in inverse order of employment (Table 205). This method combines the theory that liability for benefits results from wage payments with the theory of employer responsibility for unemployment; responsibility for the unemployment is assumed to lessen with time, and the more remote the employment from the period of compensable unemployment, the less the probability of an employer's being charged. A maximum limit is placed on the amount that may be charged any one employer; when the limit is reached, the next previous employer is charged. The limit is usually fixed as a fraction of the wages paid by the employer or as a specified amount in the base period or in the quarter, or as a combination of the two. Usually the limit is the same as the limit on the duration of benefits in terms of quarterly or base-period wages (sec. 335.04).

In Michigan, New Jersey, New York, Ohio, Rhode Island, and Wisconsin, the amount of the charges against any one employer is limited by the extent of the claimant's employment with that employer; i.e., the number of credit weeks earned with that employer. In New York, when a claimant's weeks of benefits exceed weeks of employment, the charging formula is applied a second time--a week of benefits charged to each employer's account for each week of employment with that employer, in inverse chronological order of employment--until all weeks of benefits have been charged. In Colorado charges are omitted if an employer paid $500 or less; in Missouri most employers who employ claimants less than 3 weeks and pay them less than $120 are skipped in the charging.

If a claimant's unemployment is short, or if the last employer in the base period employed the claimant for a considerable part of the base period, this method of charging employers in inverse chronological order gives the same results as

charging the last employer in the base period. If a claimant's unemployment is long, such charging gives much the same results as charging all base-period employers proportionately.

All the States that provide for charging in inverse order of employment have determined, by regulation, the order of charging in case of simultaneous employment by two or more employers.

230.03 Charges in proportion to base-period wages.--On the theory that unemployment results from general conditions of the labor market more than from a given employer's separations, the largest number of States charge benefits against all base-period employers in proportion to the wages earned by the beneficiary with each employer. Their charging methods assume that liability for benefits inheres in wage payments. This also is true in a State that charges all benefits to a principal employer.

In two States employers responsible for a small amount of base-period wages are relieved of charges. A Florida employer who paid a claimant less than $40 in the base period is not charged.

235 Noncharging of Benefits

In many States there has been a tendency to recognize that the costs of benefits of certain types should not be charged to individual employers. This has resulted in "noncharging" provisions of various types in practically all State laws which base rates on benefits or benefit derivatives (Table 205). In the States which charge benefits, certain benefits are omitted from charging as indicated below; in the States which charge benefit wages, certain wages are not counted as benefit wages. Such provisions are, of course, not applicable in States in which rate reductions are based solely on payroll decreases.

The omission of charges for benefits based on employment of short duration has already been mentioned (sec. 230, and Table 205, footnote 6). The postponement of charges until a certain amount of benefits has been paid (sec. 220.03) results in noncharging of benefits for claimants whose unemployment was of very short duration. In many States, charges are omitted when benefits are paid on the basis of an early determination in an appealed case and the determination is eventually reversed. In many States, charges are omitted for reimbursements in the case of benefits paid under a reciprocal arrangement authorizing the combination of the individual's wage credits in 2 or more States; i.e., situations when the claimant would be ineligible in the State without the out-of-State wage credits. In the District of Columbia and Massachusetts, dependents' allowances are not charged to employers' accounts.

The laws in Alabama, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Hawaii, Kansas, Kentucky, Minnesota, New York, Oklahoma, Pennsylvania, Rhode Island, and Tennessee provide that an employer who employed a claimant part time in the base period and continues to give substantial equal part-time employment is not charged for benefits. Missouri achieves the same result through regulation.

Five States (Arkansas, Colorado, Maine, North Carolina, and Ohio) have special provisions or regulations for identifying the employer to be charged in the case of benefits paid to seasonal workers; in general, seasonal employers are charged only with benefits paid for unemployment occurring during the season, and nonseasonal employers, with benefits paid for unemployment at other times.

The District of Columbia, Hawaii, Kansas, Maine, Massachusetts, New Hampshire, North Carolina, Oregon, South Carolina, and Vermont provide that benefits paid to an individual taking approved training shall not be charged to the employer's account. In Virginia benefits may be noncharged if an offer to rehire has been refused because the individual is in approved training.

Another type of omission of charges is for benefits paid following a period of disqualification for voluntary quit, misconduct, or refusal of suitable work or for benefits paid following a potentially disqualifying separation for which no disqualification was imposed; e.g., because the claimant had good personal cause for leaving voluntarily, or because of a job which lasted throughout the normal disqualification period and then was laid off for lack of work. The intent is to relieve the employer of charges for unemployment, caused by circumstances beyond the employer's control, by means other than limiting good cause for voluntary leaving to good cause attributable to the employer, disqualification for the duration of the unemployment, or the cancellation of wage credits. The provisions vary with variations in the employer to be charged and with the disqualification provisions (sec. 425), particularly as regards the cancellation and reduction of benefit rights. In this summary, no attempt is made here to distinguish between noncharging of benefits or benefit wages following a period of disqualification and noncharging where no disqualification is imposed. Most States provide for noncharging where voluntary leaving or discharge for misconduct is involved and some States, refusal of suitable work (Table 205). A few of these States limit noncharging to cases where a claimant refuses reemployment in suitable work.

Alabama, and Connecticut have provisions for canceling specified percentages of charges if the employer rehires the worker within specified periods.

North Carolina, North Dakota, Pennsylvania (limited to the first 8 weeks of benefits), and Tennessee exempt from charging benefits paid for unemployment due directly to a disaster if the claimant would otherwise have been eligible for disaster benefits. (Table 205, footnote 12).

240 Requirements for Reduced Rates

In accordance with the Federal requirements for experience rating, no reduced rates were possible in any State during the first 3 years of its unemployment insurance law. Except for Wisconsin, whose law preceded the Social Security Act, no reduced rates were effective until 1940, and then only in three States.

The requirements for any rate reduction vary greatly among the States, regardless of type of experience-rating formula.

240.01 Prerequisites for any reduced rates.--Less than half the State laws now contain some requirement of a minimum fund balance before any reduced rate may be allowed. The solvency requirement may be in terms of millions of dollars; in terms of a multiple of benefits paid; in terms of a percentage of payrolls in certain past years; in terms of whichever is greater, a specified dollar amount or a specified requirement in terms of benefits or payroll; or in terms of a particular fund solvency factor or fund adequacy percentage (Table 206). Regardless of form, the purpose of the requirement is to make certain that the fund is adequate for the benefits that may be payable.

A more general provision is included in the New Hampshire law. In New Hampshire a 2.7 rate may be set if the Commissioner determines that the solvency of the fund no longer permits reduced rates.

In more than half the States there is no provision for a suspension of reduced rates because of low fund balances. In most of these States, rates are increased (or a portion of all employers' contributions is diverted to a specified account) when the fund (or a specified account in the fund) falls below the levels indicated in Table 206.

240.02 Requirements for reduced rates for individual employers.--Each State law incorporates at least the Federal requirements (sec. 215.01) for reduced rates of individual employers. A few require more than 3 years of potential benefits for their employees or of benefit chargeability; a few require recent liability for contributions (Table 203). Many States require that all necessary contribution reports must have been filed and all contributions due must have been paid. If the system uses benefit charges, contributions paid in a given period must have exceeded benefit charges.

245 Rates and Rate Schedules

In almost all States rates are assigned in accordance with rate schedules in the law; in Nebraska in accordance with a rate schedule in a regulation required under general provisions in the law. The rates are assigned for specified reserve ratios, benefit ratios, or for specified benefit-wage ratios. In Arizona the rates assigned for specified reserve ratios are adjusted to yield specified average rates. In Alaska rates are assigned according to specified payroll declines; and in Connecticut, Idaho, Kansas and Montana according to employers' experience arrayed in comparison with other employers' experience.

The Washington law contains no rate schedules but provides instead for distribution of surplus funds by credit certificates. If any employer's certificate equals or exceeds the required contribution for the next year, the employer would in effect have a zero rate.

245.01 Fund requirements for rates and rate schedules.--In most States, the level of the balance in the State's unemployment fund, as measured at a prescribed time each year, determines which one of two or more rate schedules will be applicable for the following year. Thus, an increase in the level of the fund usually results in the application of a rate schedule under which the prerequisites for given rates are lowered. In some States, employers' rates may be lowered as a result of an increase in the fund balance, not by the application of a more favorable schedule, but by subtracting a specified amount from each rate in a single schedule, by dividing each rate in the schedule by a given figure, or by adding new lower rates to the schedule. A few States with benefit-wage-ratio systems provide for adjusting the State factor in accordance with the fund balance as a means of raising or lowering all employers' rates. Although these laws may contain only one rate schedule, the changes in the State factor, which reflect current fund levels, change the benefit-wage-ratio prerequisite for a given rate.

245.02 Rate reduction through voluntary contributions.--In about half the States employers may obtain lower rates by voluntary contributions (Table 200). The purpose of the voluntary contribution provision in States with reserve-ratio formulas is to increase the balance in the employer's reserve so that a lower rate is assigned which will save more than the amount of the voluntary contribution. In Minnesota, with a benefit-ratio system, the purpose is to permit an employer to pay voluntary contributions to cancel benefit charges to the account and thus reduce the benefit ratio.

245.03 Computation dates and effective dates.--In most States the effective date for new rates is January 1; in others it is April 1, June 30, or July 1. In most States the computation date for new rates is a date 6 months prior to the effective date.

A few States have special computation dates for employers first meeting the requirements for computation of rates (footnote 5, Table 202).

245.04 Minimum rates.--Minimum rates in the most favorable schedules vary from 0 to 1.2 percent of payrolls. In Washington, which has no rate schedule, some employers may have a 0 rate. Only eight States have a minimum rate of 0.5 percent or more. The most common minimum rates range from 0.1 to 0.4 percent inclusive. The minimum rate in Nebraska depends on the rate schedule established annually by regulation.

245.05 Maximum rates.--Maximum tax rates range from 2.7 percent to 8.5 percent with the maximum rate in nearly half the States exceeding 4.0 percent (Table 206).

245.06 Limitation on rate increases.--Wisconsin prevents sudden increases of rates by a provision that no employer's rate in any year may be more than 1 percent more than in the previous year. New York limits the increase in subsidiary contributions in any year to 0.3 percent over the preceding year.

250 Special Provisions for Financing Benefits Paid to Employees of Nonprofit Organizations and State and Local Governments

The 1970 and 1976 amendments to the Federal law extended coverage to service performed in the employ of each State and its political subdivisions, and to nonprofit organizations which employed four or more persons in 20 weeks. (See sec. 110 for services that may be excluded from coverage.) However, the method of financing benefits paid to employees of governmental entities and nonprofit organizations differs from that applicable to other employers.

250.01 Nonprofit organizations.--The Federal law provides that States must allow any nonprofit organization or group of organizations, which are required to be covered under the State laws, the option to elect to make payments in lieu of contributions. Prior to the 1970 amendments the States were not permitted to allow nonprofit organizations to finance their employees' benefits on a reimbursable basis because of the experience-rating requirements of the Federal law.

State laws permit two or more reimbursing employers jointly to apply to the State agency for the establishment of a group account to pay the benefit costs attributable to service in their employ. This group is treated as a single employer for the purposes of benefit reimbursement and benefit cost allocation.

No State permits noncharging of benefits to reimbursing employers. The Federal law has been construed to require that nonprofit organizations pay into the State fund amounts equal to the benefit costs, including that half of extended benefits not paid by the Federal Government, attributable to service performed in the employ of the organization. Unlike contributing employers, who cannot avoid potential liability to share with other contributing employers devices such as minimum contribution rates and solvency accounts in order to keep the fund solvent, reimbursing employers are fully liable for benefit costs to their employees and not liable at all for the cost of any other benefits.

All States except Alabama and North Carolina provide that employers electing to reimburse the fund will be billed at the end of each calendar quarter, or other period determined by the agency, for the full amount of regular benefits plus half of the extended benefits paid during that period attributable to service in their employ. Alabama and North Carolina require a different method of assessing the employer. In these States, each nonprofit employer is billed a flat rate at the end of each calendar quarter, or other time period specified by the agency, determined on the basis of a percentage of the organization's total payroll in the preceding calendar year rather than on actual benefit costs incurred by the organization. Modification in the percentage is made at the end of each taxable year in order to minimize future excess or insufficient payment. The agency is required to make an annual accounting to collect unpaid balances and dispose of overpayments. This method of apportioning the payments appears to be less burdensome than the quarterly reimbursement method because it spreads the benefit costs more uniformly throughout the calendar year. Seventeen States[1] permit a nonprofit organization the option of choosing either plan, with the approval of the State agency. Arkansas requires the State to use the first plan and nonprofit organizations and political subdivisions who choose reimbursement the second plan.

250.02 State and local governments.--The 1976 amendments required States to extend to governmental entities the option of reimbursing the State unemployment compensation fund for benefits paid as in the case of nonprofit organizations. The Federal law does not require a State law to provide any other financing provisions for governmental entities.

Most States, however, permit governmental entities to elect either to reimburse the fund for benefits paid or to pay taxes on the same basis as other employers in the State (Table 209). In addition, the legislatures of 16 States (Table 209, column 2) have specified by law the method of financing benefits based on service with the State. In all of these States except Oklahoma the method specified is reimbursement. Oklahoma requires the State to pay contributions at a rate of 1.0 percent of wages. Beginning January 1, 1979, a governmental entity which reimburses the fund will be liable for the full amount of extended benefits paid based on service in its employ because the Federal Government at that time will no longer participate in the cost of these extended benefits attributable to service with governmental entities as it does with other employers.

A few States (Table 209, column 5) have provided, as a financing alternative, contributions systems different than those applicable to other employers in the State. In seven of the States, all governmental entities electing to contribute pay at a flat rate--1.0 percent of wages in Illinois, Iowa, North Dakota, Oklahoma and Texas; 1.5 percent in Tennessee; and 2.0 percent in Mississippi. The rate in Iowa, North Dakota and Texas may be adjusted for tax years after 1979 depending on benefit costs; however, the minimum rate possible for any year in Texas is set at 0.1 percent.

Kansas, Louisiana, and Massachusetts have developed a similar experience rating system applicable to governmental entities that elect the contributions method. Under this system three factors are involved in determining rates: required yield, individual experience and aggregate experience. In Kansas and Louisiana, rates applicable for 1978 and 1979 are based on the benefit cost experience of reimbursing employers in the preceding fiscal year. Thereafter, the rate for employers not eligible for a computed rate will be based on the benefit cost experience of all

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[1] Alaska, Calif., D.C., Idaho, Md., N.Dak., Ohio, P.R., S.C., S.Dak., Tenn., Utah, Vt., Va., V.I., Wash., W.Va.

rated governmental employers. In these two States no employer's rate may be less than 0.1 percent. In Massachusetts, the contribution rate under this plan is 1.0 percent for 1978 and 1979. Thereafter, the rate for employers not eligible for a computed rate is the average cost of all rated governmental employers but not less than 0.1 percent. Massachusetts also imposes an emergency tax of up to 1.0 percent when benefit charges reach a specified level.

In Montana, governmental entities that elect contributions pay at the rate of 0.4 percent of wages. Rates are adjusted annually for each employer under a benefit-ratio formula. New employers are assigned the median rate for the year in which they elect contributions and rates may not be lower than 0.1 percent or higher than 1.5 percent, in 0.1 percent intervals. New rates become effective July 1, rather than January 1, as in the case of the regular contributions system.

New Mexico permits political subdivisions to participate in a "local public body unemployment compensation reserve fund" which is managed by the risk management division. This special fund reimburses the State unemployment fund for benefits paid based on service with the participating political subdivision. The employer contributes to the special fund the amount of benefits paid attributable to service in its employ plus an additional unspecified amount to establish a pool and to pay administrative costs of the special fund.

Oregon has a "local government employer benefit trust fund" to which a political subdivision may elect to pay a percentage of its gross wages. The rate is redetermined each June 30 under a benefit ratio formula. For the first three years of participation, the rate may not be less than 0.1 percent nor more than 5.0 percent. Thereafter, no employer's rate may be less than 0 percent nor more than 5.0 percent. This special fund then reimburses the State unemployment compensation fund for benefits paid based on service with political subdivisions that have elected to participate in the special fund.

In Washington, counties, cities and towns have the option of electing regular reimbursement or the "local government tax." Other political subdivisions may elect either regular reimbursement or regular contributions. The local government tax is 1.25 percent of total wages for the calendar years 1978 and 1979. Rates are determined yearly for each employer under a reserve ratio formula. The following minimum and maximum rates have been established: for 1980, 0.6 percent and 2.2 percent; 1981, 0.4 percent and 2.6 percent; subsequent to 1981, 0.2 percent and 3.0 percent. No employer's rate may increase by more than 1.0 percent in any year. The Commissioner may, at his discretion, impose an emergency excess tax of not more than 1.0 percent whenever benefit payments would jeopardize reasonable reserves. New employers pay at a rate of 1.25 percent for the first two years of participation.

California has three separate plans for governmental entities. The State is limited to contributions or reimbursement. Schools have, in addition to those two options, the option of making quarterly contributions of 0.5 percent of total wages to the School Employee's Fund plus a variable local experience charge to pay for administrative indiscretions. Local governments also have a third option: they may pay a quarterly contribution rate (0.8 percent of total wages until the end of the 1980 fiscal year) into the Local Public Entity Employee's Fund. Rates may be adjusted in subsequent years based on the local government's benefit cost ratio.

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TABLE 200.--SUMMARY OF EXPERIENCE-RATING PROVISIONS, 51 STATES [1]

State	Type of experience rating				Taxable wage base above $6,000 (14[1] States)	Wages include remuneration over $6,000 if subject to FUTA (40 States)	Voluntary contributions permitted (25 States)
	Reserve ratio (31 States)	Benefit ratio (11 States)	Benefit wage ratio (5 States)	Payroll declines (4 States)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ala.	. . . .	. . . .	X	. . . . .	$ 6,600	X	. . . . .
Alaska	. . . .	. . . .	. . . .	Quarterly	$10,000	X	. . . . .
Ariz.	X	. . . .	. . . .	. . . . .	. . . . .	X	X[2]
Ark.	X	. . . .	. . . .	. . . . .	. . . . .	X	X[2]
Calif.	X	. . . .	. . . .	. . . . .	$ 6,000[3]	. . . .	. . . . .
Colo.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Conn.	. . . .	X	. . . .	. . . . .	. . . . .	. . . .	. . . . .
Del.	. . . .	. . . .	X	. . . . .	. . . . .	. . . .	. . . . .
D.C.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Fla.	. . . .	X	. . . .	. . . . .	. . . . .	X	. . . . .
Ga.	X	. . . .	. . . .	. . . . .	. . . . .	X[4]	. . . . .
Hawaii	X	. . . .	. . . .	. . . . .	$ 9,800[3]	X	. . . . .
Idaho	X	. . . .	. . . .	. . . . .	$ 9,600[3]	X	. . . . .
Ill.	. . . .	. . . .	X	. . . . .	. . . . .	X[4]	. . . . .
Ind.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Iowa	X	. . . .	. . . .	. . . . .	$ 6,500[3]	X	X[2]
Kans.	X	. . . .	. . . .	. . . . .	. . . . .	X	X[2]
Ky.	X	. . . .	. . . .	. . . . .	. . . . .	X	X[2]
La.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Maine	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Md.	. . . .	X	. . . .	. . . . .	. . . . .	X	. . . . .
Mass.	X	. . . .	. . . .	. . . . .	. . . . .	. . . .	. . . . .
Mich.	. . . .	X	. . . .	. . . . .	. . . . .	X	X[2]
Minn.	. . . .	X	. . . .	. . . . .	$ 7,500[5]	X	X[2]
Miss.	. . . .	X	. . . .	. . . . .	. . . . .	X	. . . . .
Mo.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Mont.	. . . .	. . . .	. . . .	Annual[6]	. . . . .	. . . .	. . . . .
Nebr.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Nev.	X	. . . .	. . . .	. . . . .	$ 6,900[3]	X	. . . . .
N.H.	X	. . . .	. . . .	. . . . .	. . . . .	. . . .	. . . . .
N.J.	X	. . . .	. . . .	. . . . .	$ 6,200[3]	. . . .	X
N.Mex.	X	. . . .	. . . .	. . . . .	$ 6,100[3]	X	X
N.Y.	X	. . . .	. . . .	. . . . .	. . . . .	X[4]	X[2]
N.C.	X	. . . .	. . . .	. . . . .	. . . . .	X	X[2]
N.Dak.	X	. . . .	. . . .	. . . . .	$ 6,000[3]	X	X
Ohio	X	. . . .	. . . .	. . . . .	. . . . .	X	X

(Table continued on next page)

TABLE 200.--SUMMARY OF EXPERIENCE-RATING PROVISIONS, 51 STATES[1] (CONTINUED)

State	Type of experience rating				Taxable wage base above $6,000 (14[1] States)	Wages include remuneration over $6,000 if subject to FUTA (40 States)	Voluntary contributions permitted (25 States)
	Reserve ratio (31 States)	Benefit ratio (11 States)	Benefit wage ratio (5 States)	Payroll declines (4 States)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Okla.	. . . .	. . . .	X	. . . . .	. . . . .	X	. . . . .
Oreg.	. . . .	X	. . . .	. . . . .	$8,000[3]	. . . . .	. . . . .
Pa.	. . . .	X[6]	. . . .	. . . . .	. . . . .	X[4]	X
R.I.	X	. . . .	. . . .	. . . . .	. . . . .	X[4]	. . . . .
S.C.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
S.Dak.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Tenn.	X	. . . .	. . . .	. . . . .	. . . . .	X[4]	. . . . .
Tex.	. . . .	X	. . . .	. . . . .	. . . . .	. . . . .	. . . . .
Utah	. . . .	. . . .	. . . .	Annual and quarterly[6]	$9,600[3]	X	. . . . .
Vt.	. . . .	X	. . . .	. . . . .	. . . . .	X	. . . . .
Va.	. . . .	. . . .	X	. . . . .	. . . . .	. . . . .	. . . . .
Wash.	. . . .	. . . .	. . . .	Annual[6]	$8,400[3]	. . . . .	. . . . .
W.Va.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Wis.	X	. . . .	. . . .	. . . . .	. . . . .	X	X
Wyo.	. . . .	X	. . . .	. . . . .	. . . . .	X	. . . . .

[1] Excludes P.R. and the V.I. which have no experience-rating systems and which levy a tax on all wages, P.R., and $6,000, V.I. See Tables 201 to 206 for more detailed analysis of experience-rating provision.

[2] Voluntary contributions limited to amount of benefits charged during 12 months preceding last computation date, Ark. and La.; ER receives credit for 80% of any voluntary contributions made to fund, N.C.; reduction in rate because of voluntary contributions limited to one rate group, Kans.; surcharge added equal to 25% of benefits canceled by voluntary contributions unless voluntary payment is made to overcome charges incurred as result of unemployment of 75% or more of ER's workers caused by damages from fire, flood, or other acts of God, Minn.; not permitted for yrs. in which rate schedule higher than basic schedule is in effect, La.

[3] See following table for computation of flexible taxable wage bases for States noted.

[4] Wages include all kinds of remuneration subject to FUTA.

[5] $8,000 for 1979 and thereafter.

[6] Formula includes duration of liability, Mont. and Utah; ratio of benefits to contributions, Mont., reserve ratio, Pa., and benefit ratio, Wash.

TABLE 201.--COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES

State	Computed as--		Period of time used--		
	% of State average annual wage (9 States)	Other (2 States)	Preceding CY (4 States)	12 months ending June 30 (3 States)	Second preceding CY (4 States)
(1)	(2)	(3)	(4)	(5)	(6)
Ala.					
Alaska					
Ariz.					
Ark.					
Calif.		X[2]	X		
Colo.					
Conn.					
Del.					
D.C.					
Fla.					
Ga.					
Hawaii	100[3]			X	
Idaho	100[3]				X
Ill.					
Ind.					
Iowa	66-2/3[3]		X		
Kans.					
Ky.					
La.					
Maine					
Md.					
Mass.					
Mich.					
Minn.					
Miss.					
Mo.					
Mont.					
Nebr.					
Nev.	66-2/3		X		
N.H.					
N.J.		28 x State aww[3]	X		
N.Mex.	65[3]			X	
N.Y.					
N.C.					
N.Dak.	70[3][4]			X	
Ohio					
Okla.					
Oreg.	80[3]				X
Pa.					
P.R.					
R.I.					
S.C.					
S.Dak.					
Tenn.					

(Table continued on next page)

TABLE 201.--COMPUTATION OF FLEXIBLE TAXABLE WAGE BASES (CONTINUED)

State	Computed as--		Period of time used--		
	% of State average annual wage (9 States)	Other (2 States)	Preceding CY (4 States)	12 months ending June 30 (3 States)	Second preceding CY (4 States)
(1)	(2)	(3)	(4)	(5)	(6)
Tex.	. . . 3/ . .	. . . . .	. . . . .	. . . . .	. . . . .
Utah	100 3/	. . . . .	. . . . .	. . . . .	X
Vt.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Va.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
V.I.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Wash.	80 3/5/	. . . . .	. . . . .	. . . . .	X
W.Va.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Wis.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Wyo.	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .

1/ $8,000 for 1979 and thereafter.

2/ $6,000 if total revenues in fund equal or exceed total disbursements. $7,000 if total disbursements exceed total revenues.

3/ Rounded to the nearest $600, Idaho; higher $100, Iowa, N.J.; N.Mex, Utah; nearest $1,000, Oreg.; lower $300, Wash.

4/ Computed at 70 percent of State annual wage (limit $100 over preceding year) when fund is less than 1-1/2 times highest amount of benefits paid in any year; otherwise, wage base is same as that specified in FUTA.

5/ Increases by $600 when fund balance is less than 4.5 percent of total payrolls, not to exceed 80 percent of average annual wage.

TABLE 202.--COMPUTATION DATE, EFFECTIVE DATE, PERIOD OF TIME TO QUALIFY FOR EXPERIENCE RATING, AND REDUCED RATES FOR NEW EMPLOYERS

State	Computation date	Effective date for new rates	Period of time needed to qualify for experience rating		Reduced rate for new employers[2]
			At least 3 years	Less than 3 years[1]	
(1)	(2)	(3)	(4)	(5)	(6)
Ala.	Oct. 1	April 1	. . . . .	1 year[1]	1.5%[3]
Alaska	June 30	Jan. 1	. . . . .	1 year[1]	1.0%[3]
Ariz.	July 1	Jan. 1	. . . . .	1 year	. . . . .
Ark.	June 30	Jan. 1	. . . . .	1 year	. . . . .
Calif.	June 30	Jan. 1	. . . . .	12 months	. . . . .
Colo.	July 1	Jan. 1	. . . . .	12 months	. . . . .
Conn.	June 30	Jan. 1	. . . . .	1 year[1]	(3)
Del.	Oct. 1	Jan. 1	4 years	. . . . .	. . . . .
D.C.	June 30	Jan. 1	X	. . . . .	(3)
Fla.	Dec. 31	Jan. 1	X	. . . . .	. . . . .
Ga.	June 30	Jan. 1	. . . . .	1 year	. . . . .
Hawaii	Dec. 31	Jan. 1	. . . . .	1 year	. . . . .
Idaho	June 30	Jan. 1	. . . . .	1 year	. . . . .
Ill.	June 30	Jan. 1	X[1]	. . . . .	. . . . .
Ind.	June 30	Jan. 1	X[1]	. . . . .	. . . . .
Iowa	July 1	Jan. 1	. . . . .	2 years	1.8%[3]
Kans.	June 30	Jan. 1	. . . . .	2 years	1.0%[3]
Ky.	Sept. 30	Jan. 1	X	. . . . .	. . . . .
La.	June 30	Jan. 1	X	. . . . .	. . . . .
Maine	Dec. 31	July 1	. . . . .	2 years	(3)
Md.	March 31	July 1	. . . . .	1 year	(3)
Mass.	Sept. 30	Jan. 1	. . . . .	1 year	2.0%
Mich.	June 30	Jan. 1	. . . . .	2 years[6]	. . . . .
Minn.	June 30	Jan. 1	. . . . .	1 year	(3)[4]
Miss.	June 30	Jan. 1	. . . . .	1 year	1.0%[4]
Mo.	July 1	Jan. 1	. . . . .	1 year	1.0%[4]
Mont.	June 30	Jan. 1	X	. . . . .	. . . . .
Nebr.	Dec. 31	Jan. 1	. . . . .	1 year[1]	. . . . .
Nev.	June 30	Jan. 1	. . . . .	2 1/2 years	. . . . .
N.H.	Jan. 1	July 1	. . . . .	1 year	. . . . .
N.J.	Dec. 31	July 1	X	. . . . .	. . . . .
N.Mex.	June 30	Jan. 1	X	. . . . .	. . . . .
N.Y.	Dec. 31	Jan. 1	. . . . .	1 year	(3)
N.C.	Aug. 1	Jan. 1	. . . . .	1 year	. . . . .
N.Dak.	Dec. 31	Jan. 1	. . . . .	1 year	. . . . .
Ohio	July 1	Jan. 1	. . . . .	1 year	. . . . .
Okla.	Dec. 31	Jan. 1	. . . . .	1 year	. . . . .
Oreg.	June 30	Jan. 1	. . . . .	1 year	(6)
Pa.	June 30	Jan. 1	. . . . .	18 months[1]	2.0%[4]
R.I.	Sept. 30	Jan. 1[5]	. . . . .	1 year[1]	(3)
S.C.	July 1[5]	Jan. 1[5]	. . . . .	2 years[1]	. . . . .
S.Dak.	Dec. 31	Jan. 1	. . . . .	2 years	. . . . .

(Table continued on next page)

TABLE 202.--COMPUTATION DATE, EFFECTIVE DATE, PERIOD OF TIME TO QUALIFY FOR EXPERIENCE RATING, AND REDUCED RATES FOR NEW EMPLOYERS (CONTINUED)

State	Computation date	Effective date for new rates	Period of time needed to qualify for experience rating		Reduced rate for new employers[2]
			At least 3 years	Less than 3 years[1]	
(1)	(2)	(3)	(4)	(5)	(6)
Tenn.	Dec. 31[5]	July 1[5]	X	. . . . .	. . . . .
Tex.	Oct. 1[5]	Jan. 1[5]	. . . . .	1 year	1.0%
Utah	Jan. 1	Jan. 1	X	. . . . .	2.7%
Vt.	Dec. 31	July 1	. . . . .	1 year	(3)
Va.	June 30	Jan. 1	. . . . .	1 year	1.0%
Wash.	July 1	Jan. 1	. . . . .	2 years[1]	. . . . .
W.Va.	June 30	Jan. 1	X	. . . . .	1.5%
Wis.	June 30	Jan. 1	. . . . .	18 months	. . . . .
Wyo.	June 30	Jan. 1	X	. . . . .	. . . . .

[1] Period shown is period throughout which ER's account was chargeable or during which payroll declines were measurable. In States noted, requirements for experience rating are stated in the law in terms of subjectivity, Alaska, Conn., Ind., and Wash.; in which contributions are payable, Ill. and Pa.; coverage, S.C.; or, in addition to the specified period of chargeability, contributions payable in the 2 preceding CYs, Nebr.

[2] Immediate reduced rate for newly-covered ERs until such time as the ER can qualify for a rate based on experience.

[3] Rate for newly-covered ERs is the higher of 1.0% or State's 5-yr. benefit cost ratio, not to exceed 2.7%, Conn., Kans., Md., and R.I.; average industry tax rate but not less than 1.0%, Alaska; higher of 1.0% or the rate equal to the average rate on taxable wages of all ERs for the preceding CY not to exceed 2.7%, D.C.; higher of 1.0% or State's 3-yr. benefit cost rate, not to exceed 2.7%, Minn.; higher if 1.0% or that percent represented by rate class 11 (1.2% to 2.0%) depending upon rate schedule in effect, Vt.; ranges from 2.0%-2.7% depending on rate schedule in effect, N.Y.; average contribution rate but not more than 3.0% or less than 1.0%, Maine.

[4] For all newly-covered ERs except those in the construction industry, Miss. and Pa.; only for newly-covered nonprofit ERs and governmental entities making contributions, Mo.

[5] For newly-qualified ER, computation date is end of quarter in which ER meets experience requirements and effective date is immediately following quarter, S.C. and Tex.

[6] For CY 1978 and 1979, newly-covered agricultural employers pay at the rate of 3.0%. Other newly-covered employers pay at rates ranging from 2.7-3.5%, depending on the rate schedule in effect for the year, Oreg.; and an ER's rate will not include a nonchargeable benefits component for the first 4 years of subjectivity, Mich.

TABLE 203.--YEARS OF BENEFITS, CONTRIBUTIONS, AND PAYROLLS USED IN COMPUTING RATES OF EMPLOYERS WITH AT LEAST 3 YEARS OF EXPERIENCE, BY TYPE OF EXPERIENCE-RATING FORMULA [1]

State (1)	Years of benefits used [2] (2)	Years of payrolls used [3] (3)
	Reserve-ratio formula	
Ariz.	All past years.	Average 3 years. [3]
Ark.	All past years.	Average last 3 or 5 years. [4]
Calif.	All past years.	Average 3 years. [3]
Colo.	All past years.	Average 3 years. [3]
D.C.	All since July 1, 1939.	Average 3 years. [3]
Ga.	All past years.	Average 3 years.
Hawaii	All past years.	Average 3 years.
Idaho	All since Jan. 1, 1940.	Average 4 years.
Ind.	All past years.	Aggregate 3 years.
Iowa.	All past years.	Average 3 years. [3]
Kans.	All past years.	Average 3 years. [3]
Ky.	All past years.	Aggregate 3 years.
La.	All since Oct. 1, 1941.	Average 3 years.
Maine	All past years.	Average 3 years.
Mass.	All past years. [2]	Last year.
Mo.	All past years.	Average 3 years.
Nebr.	All past years.	Average 4 years.
Nev.	All past years. [2]	Average 3 years.
N.H.	All past years.	Average 3 years.
N.J.	All past years.	Average last 3 or 5 years. [4]
N.Mex.	All past years.	Average 3 years.
N.Y.	All past years.	Last year. [3]
N.C.	All past years.	Aggregate 3 years.
N.Dak.	All past years.	Average 3 years.
Ohio	All past years.	Average 3 years.
R.I.	All since Oct. 1, 1958.	Last year or average 3 years. [4]
S.C.	All past years.	Last year.
S.Dak.	All past years.	Aggregate 3 years.
Tenn.	All past years.	Last year.
W.Va.	All past years.	Average 3 years.
Wis.	All past years.	Last year.
	Benefit-contribution-ratio formula [1]	
Mont.	Last 3 years. [2]	. . . . .
	Benefit-ratio formula	
Conn.	Last 3 years.	Last 3 years. [3]
Fla.	Last 3 years.	Last 3 years. [3]
Md.	Last 3 years.	Last 3 years. [3]
Mich.	Last 5 years.	Last 5 years.
Minn.	Last 3 years.	Last 3 years.
Miss.	Last 3 years.	Last 3 years.
Oreg.	Last 3 years.	Last 3 years.
Pa.	Average 3 years.	Average 3 years.

(Table continued on next page)

TABLE 203.--YEARS OF BENEFITS, CONTRIBUTIONS, AND PAYROLLS USED IN COMPUTING RATES OF EMPLOYERS WITH AT LEAST 3 YEARS OF EXPERIENCE, BY TYPE OF EXPERIENCE-RATING FORMULA 1/ (CONTINUED)

State (1)	Years of benefits used 2/ (2)	Years of payrolls used 3/ (3)
	Benefit-ratio formula (Continued)	
Tex.	Last 3 years.	Last 3 years.
Vt.	Last 3 years.	Last 3 years.
Wyo.	Last 3 years.	Last 3 years.
	Benefit-wage-ratio formula	
Ala.	Last 3 years.	Last 3 years.
Del.	Last 3 years.	Last 3 years.
Ill.	Last 3 years.	Last 3 years.
Okla.	Last 3 years.	Last 3 years.
Va.	Last 3 years.	Last 3 years.
	Payroll-declines formula 1/	
Alaska	. . . . .	Last 3 years.
Utah.	. . . . .	Last 3 years.
Wash.	. . . . .	Last 3 years.

1/ Including Mont. with benefit-contribution ratio, rather than payroll declines and Wash. with payroll decline rather than benefit ratio.

2/ In reserve-ratio States and in Mont., yrs. of contributions used are same as yrs. of benefits used. Or last 5 yrs., whichever is to the ER's advantage, Mo.; or last 5 yrs. under specified conditions, N.H.

3/ Years immediately preceding or ending on computation date. In States noted, yrs. ending 3 months before computation date, D.C., Fla., Md., and N.Y. or 6 months before such date, Ariz., Calif., Conn., and Kans.

4/ Whichever is lesser, Ark.; whichever resulting percentage is smaller, R.I.; whichever is higher, N.J. ERs with 3 or more yrs.' experience may elect to use the last yr., Ark.

TABLE 204.--TRANSFER OF EXPERIENCE FOR EMPLOYER RATES, 51 STATES[1]

State	Total Transfers		Partial Transfers			Rate for successor[2]	
	Mandatory (36 States)	Optional (15 States)	Mandatory (11) States)	Optional (28 States)	Enterprise must be continued (26 States)	Previous rate continued (32 States)	Based on Combined experience (19 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ala.[3]	X			X			X
Alaska[3]	X						X
Ariz.	X			X	X	X	
Ark.[3]	X			X	X	X	
Calif.[3]		X		X	X		X
Colo.	X[4]				X	X	
Conn.		X[5]		X[5]		X[5]	
Del.[3]		X[4]			X		X
D.C.[3]	X			X	X	X	
Fla.	X			X	X		X
Ga.	X			X	X	X	
Hawaii		X				X	
Idaho		X[4]		X[4]	X		X
Ill.	X			X		X	
Ind.	X			X		X	
Iowa	X		X		X		X
Kans.	X			X	X	X	
Ky.	X		X			X	
La.	X		X			X	
Maine	X						X
Md.	X			X[6]	X	X	
Mass.	X		X		X	X	
Mich.	X			X		X	
Minn.	X		X				X
Miss.	X			X	X	X	
Mo.	X[8]		X[7][8]		X		X
Mont.	X[8]		X[8]				X
Nebr.	X			X			X
Nev.[3]		X		X		X	
N.H.[3]	X[9]			X	X	X	
N.J.[3]	X[9]	(9)		X	X	X	
N.Mex.		X		X[5]		X	
N.Y.	X		X		X		X
N.C.[3]		X		X		X	
N.Dak.[3]		X				X	
Ohio	X		X		X	X	
Okla.	X			X	X		X
Oreg.	X					X	
Pa.	(9)	X[9]	(9)	X[9][7]	X	X	
R.I.		X		X		X	
S.C.	X			X	X		X
S.Dak.		X					X

(Table continued on next page)

TABLE 204.--TRANSFER OF EXPERIENCE FOR EMPLOYER RATES, 51 STATES[1] (CONTINUED)

State	Total Transfers		Partial Transfers			Rate for successor[2]	
	Mandatory (36 States)	Optional (15 States)	Mandatory (11) States)	Optional (28 States)	Enterprise must be continued (26 States)	Previous rate continued (32 States)	Based on Combined experience (19 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Tenn.[3]	X	. . . .	X	. . . .	X	X	. . . . .
Tex.	. . . .	X	. . . .	X	X	X	. . . . .
Utah	X	. . . .	X	. . . .	. . . . .	X	. . . . .
Vt.	X	. . . .	. . . .	. . . .	X	. . . . .	X
Va.	. . . .	X	. . . .	. . . .	. . . . .	X	. . . . .
Wash.	X	. . . .	X[7]	. . . .	. . . . .	X	. . . . .
W.Va.	X	. . . .	X[7]	. . . .	. . . . .	X	. . . . .
Wis.	X	. . . .	X	. . . .	X	. . . . .	X
Wyo.	X	. . . .	. . . .	. . . .	. . . . .	X	. . . . .

[1] Excluding P.R. and the Virgin Islands which have no experience-rating provision.

[2] Rate for remainder of rate yr. for a successor who was an ER prior to acquisition.

[3] No transfer may be made if it is determined that the acquisition was made solely for purpose of qualifying for reduced rate, Alaska, Calif., Nev. and Tenn.; if total wages allocable to transferred property are less than 25% of predecessor's total, D.C.; if agency finds employment experience of the enterprise transferred may be considered indicative of the future employment experience of the successor, N.J.; transfer may be denied if good cause shown that transfer would be inequitable, N.Dak.

[4] Transfer is limited to one in which there is substantial continuity of ownership and management, Del.; if there is 50% or more of management transferred, Colo.; if predecessor had a deficit experience-rating account as of last computation date, transfer is mandatory unless it can be shown that management or ownership was not substantially the same, Idaho.

[5] By regulation.

[6] Partial transfers limited to those establishments formerly located in another State.

[7] Partial transfers limited to acquisitions of all or substantially all of ER's business, Mo., and W.Va.; to separate establishments for which separate payrolls have been maintained, R.I.

[8] Optional (by regulation) if successor was not an ER.

[9] Optional if predecessor and successor were not owned or controlled by same interest and successor files written notice protesting transfer within 4 months; otherwise mandatory, N.J.; transfer mandatory if same interests owned or controlled both the predecessor and the successor, Pa.

TABLE 205.--EMPLOYERS CHARGED AND BENEFITS EXCLUDED FROM CHARGING, 49 STATES WHICH CHARGE BENEFITS OR BENEFIT DERIVATIVES

State	Base-period employer charged			Benefits excluded from charging					
							Major disqualification involved		
	Proportionately (28 States)	In inverse order of employment up to amount specified (11 States) [2]	Employer specified (10 States)	Federal-State extended benefits (18 States)	Benefit award finally reversed (24 States)	Reimbursements on combined wage claims (22 States)	Voluntary leaving (38 States)	Discharge for misconduct (35 States)	Refusal of suitable work (12 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Ala. [1]	X [6]	. . . . .	. . . . .	. . . .	X	. . . . [13]	X [4]	X [3]	. . . . .
Ariz.	X [6]	. . . . .	. . . . .	. . . .	X	X [10] [13]	X [4]	X	. . . . .
Ark.	X [6]	. . . . .	. . . . .	X	. . . .	X [10]	X [4]	X	. . . . .
Calif.	X [6]	. . . . .	. . . . .	X	X	. . . .	X [4]	X	. . . . .
Colo.	. . . .	1/3 wages up to 1/2 of 26 x current wba. [6]	. . . . .	. . . .	X	X [10]	. . . .	. . . .	. . . . .
Conn.	X [6]	. . . . .	. . . . .	. . . .	. . . .	. . . .	X	X	. . . . .
Del. [1]	X [6]	. . . . .	. . . . .	. . . .	. . . .	X	X	X	. . . . .
D.C.	X [6]	. . . . .	. . . . .	X	. . . .	. . . .	. . . .	. . . .	. . . . .
Fla.	X	. . . . .	. . . . .	. . . .	X	. . . .	X [4]	X	X [3]
Ga.	X	. . . . .	. . . . .	. . . .	X	X [10]	X [4]	X	X [3]
Hawaii	X	. . . . .	. . . . .	X	. . . .	X [10]	X	X	X
Idaho	. . . .	. . . . .	Principal [7]	X	X	X [10]	X	X	. . . . .
Ill. [1]	X	. . . . .	. . . . .	. . . .	. . . .	X [10]	. . . .	. . . .	. . . . .
Ind.	X [7]	(7)	. . . . .	. . . .	. . . .	X [10]	. . . .	. . . .	. . . . .
Iowa	. . . .	1/2 base-period wages.	. . . . .	. . . .	X	X [10]	X	. . . .	. . . . .
Kans.	X [6]	. . . . .	. . . . .	X	. . . .	X [10]	X	X	. . . . .
Ky.	X	. . . . .	. . . . .	. . . .	. . . .	X [10]	X	X	. . . . .
La.	X	. . . . .	. . . . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . . .

(Table continued on next page)

TABLE 205.--EMPLOYERS CHARGED AND BENEFITS EXCLUDED FROM CHARGING, 49 STATES WHICH CHARGE BENEFITS OR BENEFIT DERIVATIVES (CONTINUED)

State	Base-period employer charged			Benefits excluded from charging					
							Major disqualification involved		
	Proportionately (28 States)	In inverse order of employment up to amount specified (11 States)[2]	Employer specified (10 States)	Federal-State extended benefits (18 States)	Benefit award finally reversed (24 States)	Reimbursements on combined wage claims (22 States)	Voluntary leaving (38 States)	Discharge for misconduct (35 States)	Refusal of suitable work (12 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Maine	. . . .	. . . . .	Most recent[6]	. . . .	X	X[10]	X	X	X[3]
Md.	(7)	. . . . .	Principal[7]	. . . .	X	. . . .	. . . .	. . . . .	. . . . .
Mass.	. . . .	36% of base period wages.	. . . . .	. . . .	. . . .	. . . .	X	X[4]	. . . . .
Mich.	. . . .	3/4 credit wks. up to 35.[8]	. . . . .	X	. . . .	. . . .	X[8]	X[8]	X[8]
Minn.	X[6][9]	. . . . .	. . . . .	X	X	X	X	X	X[3]
Miss.	X	. . . . .	. . . . .	X	. . . .	. . . .	X	X	X[3]
Mo.	. . . .	1/3 base-period wages.[6]	. . . . .	. . . .	X	. . . .	X[4]	X	X
Mont.	. . . .	. . . . .	Most recent[6]	. . . .	. . . .	. . . . .	. . . .	. . . . .	. . . . .
Nebr.	. . . .	1/3 base-period wages.	. . . . .	. . . .	X	. . . .	X	X	. . . . .
Nev.	X	. . . . .	. . . . .	X	. . . .	X[10]	. . . .	. . . . .	. . . . .
N.H.	. . . .	. . . . .	Most recent[6]	. . . .	. . . .	X[10]	X	X	. . . . .

(Table continued on next page)

TABLE 205.--EMPLOYERS CHARGED AND BENEFITS EXCLUDED FROM CHARGING, 49 STATES WHICH CHARGE BENEFITS OR BENEFIT DERIVATIVES (CONTINUED)

State	Base-period employer charged			Benefits excluded from charging					
							Major disqualification involved		
	Proportionately (27 States)	In inverse order of employment up to amount specified (12 States) [2]	Employer specified (10 States)	Federal-State extended benefits (18 States)	Benefit award finally reversed (24 States)	Reimbursements on combined wage claims (22 States)	Voluntary leaving (38 States)	Discharge for misconduct (35 States)	Refusal of suitable work (12 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
N.J.	X	3/4 base weeks up to 35. [11]	. . . . .	. . . .	X	. . . .	. . . .	. . . . .	. . . .
N.Mex.	X	. . . . .	. . . . .	X	X	. . . .	X	X	. . . .
N.Y.	. . . .	Credit weeks up to 26. [6]	. . . . .	. . . .	. . . .	. . . .	. . . .	. . . . .	. . . .
N.C. [12]	X [6]	. . . . .	. . . . .	. . . .	. . . .	. . . .	X	X	. . . .
N.Dak. [12]	X	. . . . .	. . . . .	. . . .	X	. . . .	X	X	. . . .
Ohio	. . . .	1/2 wages in credit weeks.	. . . . .	. . . .	. . . .	X [10]	X [4]	X	X
Okla. [1]	X [6]	. . . . .	. . . . .	. . . .	X	. . . .	X	X	. . . .
Oreg.	X	. . . . .	. . . . .	X	. . . .	X [10]	X	X	. . . .
Pa. [12]	X [6]	. . . . .	. . . . .	X	. . . .	. . . .	X	X	. . . .
R.I.	. . . .	3/5 weeks of employment up to 42.	. . . . .	X	. . . .	. . . .	X	X	. . . .
S.C.	. . . .	. . . . .	Most recent [6]	X	X	. . . .	X	X	X [3]
S.Dak.	. . . .	In proportion to base-period wages paid by employer	. . . . .	X	X	. . . .	X [4]	X	. . . .

TABLE 205.--EMPLOYERS CHARGED AND BENEFITS EXCLUDED FROM CHARGING, 49 STATES WHICH CHARGE BENEFITS OR BENEFIT DERIVATIVES (CONTINUED)

State	Base-period employer charged			Benefits excluded from charging					
	Proportionately (27 States)	In inverse order of employment up to amount specified (12 States)[2]	Employer specified (10 States)	Federal-State extended benefits (18 States)	Benefit award finally reversed (24 States)	Reimbursements on combined wage claims (22 States)	Major disqualification involved: Voluntary leaving (38 States)	Major disqualification involved: Discharge for misconduct (35 States)	Major disqualification involved: Refusal of suitable work (12 States)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Tenn.[12]	X	. . . . .	. . . . .	. . . .	X	X[10]	X	X	. . . . .
Tex.	X	. . . . .	. . . . .	. . . .	X	. . . .	X[4]	X	. . . . .
Vt.	. . . .	. . . . .	Most recent[6]	. . . .	. . . .	X	X[4]	X	X
Va.[1]	. . . .	. . . . .	Most recent[6]	. . . .	. . . .	X	(4)	. . . .	. . . . .
Wash.	X	. . . . .	. . . . .	. . . .	. . . .	X[10]	. . . .	. . . .	. . . . .
W.Va.	. . . .	. . . . .	Most recent[6]	. . . .	X	. . . . .	X	X	X
Wis.	. . . .	8/10 credit weeks up to 43.	. . . . .	X	X	. . . .	X	. . . .	. . . . .
Wyo.	X[6]	. . . . .	. . . . .	X	X	X	X	X	. . . . .

[1] State has benefit-wage-ratio formula; benefit wages are not charged for claimants whose compensable unemployment is of short duration (sec. 220.03).

[2] Limitation on amount charged does not reflect those States charging one-half of Federal-State extended benefits. For States that noncharge these benefits see column 5.

[3] Half of charges omitted if separation due to misconduct; all charges omitted if separation due to aggravated misconduct, Ala.; omission of charge is limited to refusal of reemployment in suitable work, Fla., Ga., Maine, Minn., Miss., and S.C.

(Footnotes continued on next page)

(Footnotes for Table 205 continued)

4/ Charges are omitted also for claimants leaving for compelling personal reasons not attributable to ER and not warranting disqualification, as well as for claimants leaving work due to private or lump-sum retirement plan containing mutually-agreed-upon mandatory age clause, Ariz.; for claimant who was student employed on temporary basis during BP and whose employment began within vacation and ended with leaving to return to school, Calif.; for claimants who retire under agreed-upon mandatory-age retirement plan, Ga.; for claimant convicted of felony or misdemeanor, Mass.; for claimant leaving to accept more remunerative job, Mo.; for claimant who left to accept recall from a prior ER or to accept other work beginning within 7 days and lasting at least 3 wks.; also exempts leaving pursuant to agreement permitting employee to accept lack-of-work separation and leaving unsuitable employment that was concurrent with other suitable employment, Ohio; if benefits are paid after voluntary separation because of pregnancy or marital obligation, S.Dak.; if claimant's employment or right to reemployment was terminated by his retirement pursuant to agreed-upon plan specifying mandatory retirement age, Vt.; if claimant left to move with spouse or to accept new work which lasted less than 30 days and subsequently refused offer of reemployment from original ER, Va.

6/ Charges omitted for ERs who paid claimant less than $300, Conn. and $40, Fla.; less than $500, Colo.; less than 8 x wba. S.C.; less than $695, Vt.; or who employed claimant less than 30 days, Va.; not more than 3 wks., Mont. by regulation; 4 consec. wks., N.H.; or who employed claimant less than 3 wks. and paid him less than $120, Mo.; or who employed claimant less than 30 days and also if there has been subsequent employment in noncovered work 30 days or more, W.Va.; if ER continues to employ claimant in part-time work to the same extent as in the BP, N.Y., Wyo., Ariz., Ark., Calif., Fla., Hawaii, Kans., Del., Minn., N.C., Okla., Pa.

7/ ER who paid largest amount of BPW, Idaho; law also provides for charges to base-period ERs in inverse order, Ind.. ER who paid 75% of BPW; if no principal ER, benefits are charged proportionately to all base-period ERs, Md.

8/ Benefits paid based on credit wks. earned with ERs involved in disqualifying acts or discharges, or in periods of employment prior to disqualifying acts or discharges are charged last in inverse order.

9/ An ER who paid 90% of a claimant's BPW in one base period not charged for benefits based on earnings during subsequent BP unless he employed the claimant in any part of such subsequent BP.

10/ Charges omitted if claimant paid less than min. qualifying wages, Ariz., Ark., Colo., Ga., Ill., Kans., Maine, Nev., N.H., Ohio, Oreg., Tenn., Wash.; for benefits in excess of the amount payable under State law, Ark., Idaho, Ind., Iowa, N.H. and Oreg.; and for benefits based on a period previous to the claimant's BP, Ky.

11/ But not more than 50% of BPW if ER makes timely application.

12/ Charges omitted if benefits are paid due to a natural disaster, N.C., N.Dak., Tenn., Pa.

13/ By regulation.

TABLE 206.--FUND REQUIREMENTS FOR MOST AND LEAST FAVORABLE SCHEDULES AND RANGE OF RATES FOR THOSE SCHEDULES[1]

State	Most favorable schedule			Least favorable schedule[2]		
	Fund must equal at least	Range of rates		When fund balance is less than	Range of rates	
		Min.	Max.		Min.	Max.[13]
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Ala.[3][11]	More than min. normal amount[8]	0.5	3.6	Min. normal amount[8]	0.5	4.0
Alaska	Reserve multiple equals 3.0%[8]	0.6	3.1	Reserve multiple less than than 0.33%[8]	3.0	5.5
Ariz.[11]	12% of payrolls	0.1	(12)	3% of payrolls	(12)	2.9[12][13]
Ark.	More than 5% of payrolls	0	4.0	2.5% payrolls	0.1	4.0
Calif.	2.5% payrolls	0	3.3	2.5% payrolls	0.4	3.9
Colo.	$125 million	0	3.6	0 or deficit	0.7	3.6
Conn.	More than 8% of payrolls[2]	0.1	4.6	0.4% of payrolls[2]	1.5	6.0[5]
Del.	$5 million	0.1	3.0	Not specified	0.5	4.5
D.C.	4% of payrolls	0.1	2.7	2% of payrolls	2.7	2.7
Fla.[5]	More than 5% of payrolls	0	Not specified	4% of payrolls	Not specified	4.5[13]
Ga.	5.0% of payrolls	0.028	3.2	2.8% of payrolls	0.01	3.52
Hawaii[8]	1.5 x adequate reserve fund	0.2	3.0	$15 million	3.0	3.0
Idaho	4.75% of payrolls	0.2	3.2	1.75% of payrolls	2.7	4.4
Ill.[11]	(9)	0.1	4.0[9]	(9)	0.1[9]	4.0
Ind.	4.5% of payrolls	0.02	2.8	0.9% of payrolls	2.7	3.3
Iowa[8]	Current reserve fund ratio / highest benefit cost rate	0	4.0	Current reserve fund ratio / highest benefit cost rate	0.8	6.0
Kans.	5% of payrolls	0	3.6	1.5% of payrolls	0	3.6
Ky.[7]	(7)	0.1	3.2	(7)	2.7	4.2
La.	12.5% of payrolls	0.1	2.7	$110 million[15]	2.7	3.9
Maine	Reserve multiple of over 2.5	0.5	3.1	Reserve multiple of under 4.5	2.4	5.0
Md.	8.5% of payrolls	0.1	2.9	3.5% of payrolls	3.0	4.2[13]
Mass.[11]	4.0% of payrolls	0.4	4.2	1.5% of payrolls	2.2	6.0
Mich.	Not specified	0.3	6.9	Not specified	0.3	6.9
Minn.	$200 million	0.1	7.5	$80 million	1.0	7.5
Miss.[3]	. . . . .	0	2.7	4% of payrolls	2.7	2.7
Mo.	5.5% of payrolls	0	3.6	Greater of 2 x yearly contrib. or 2 x yearly bens. paid	0.5	4.1

(Table continued on next page)

TABLE 206.--FUND REQUIREMENTS FOR MOST AND LEAST FAVORABLE SCHEDULES AND RANGE OF RATES FOR THOSE SCHEDULES[1] (CONTINUED)

State	Most favorable schedule			Least favorable schedule[2]		
		Range of rates			Range of rates	
	Fund must equal at least	Min.	Max.	When fund balance is less than	Min.	Max.[13]
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mont.[4]	2.5% of payrolls	0.5	3.1	1.0% of payrolls	3.1	3.1
Nebr.[4]	*(4)*	. .	. .	*(4)*	. .	3.7
Nev.[11]	Not specified	0.6	3.0	max. annual bens. payable	1.1	3.5
N.H.[11]	$100 million	0.01	2.1	*(6)*	2.8	6.5
N.J.	12.5% of payrolls	0.4	4.3	2.5% of payrolls	1.2	6.2
N.Mex.[2]	4% of payrolls	0.1	4.2	1% of payrolls	2.7[5]	5.1[5]
N.Y.[2]	10% of payrolls	0.3	3.0	Less than 5% of payrolls and less than $12 million in general account.	4.3[5]	5.2[5]
N.C.	9.5% of payrolls	0.1	5.7	2.5% of payrolls	0.1	5.7
N.Dak.[8]	9% of payrolls	0.2	4.2	3% of payrolls	2.7	4.2
Ohio[2]	30% above min. safe level	0	3.6	60% below min. safe level	0.6	4.3
Okla.[2]	More than 3.5 x bens.	0.1	3.1	2 x average amount of bens. paid in last 5 yrs.	0.4	3.7
Oreg.	200% of fund adequacy percentage ratio	1.2	2.7	Fund adequacy percentage ratio less than 100%	2.6	4.0
Pa.[5]	*(7)*	0.3	Not specified	*(7)*	Not specified	4.0[5]
R.I.[2]	9% of payrolls	1.0	2.8	4-1/2% of payrolls	2.2	4.0
S.C.	3.5% of payrolls	0.25	4.1	2.5% of payrolls	1.3	4.1
S.Dak.	More than $11 million	0	4.5	$5 million	4.1	4.1
Tenn.	$250 million	0.3	4.0[14]	$165 million	0.75	4.0[14]
Tex.	Over $325 million[9]	0.1	4.0	$225 million	0.1	*(9)*
Utah[8][11]	3.5% of payrolls	0.5	2.4	0.5% of payrolls	3.0	3.0
Vt.[2][3]	3 x highest ben. cost rate	0.2	2.7	0.5 x highest ben. cost	1.2	5.5
Va.[2][3]	5.7% of payrolls	0.05	2.7	4% of payrolls	Not specified	2.7
*Wash.[10][6]	. . . . .	Not specified		3.5% of payrolls	3.0	3.0
W.Va.[4]	$110 million	0	3.3	$60 million	2.7	3.3
Wis.[4]	. . . . .	0	5.0	. . . . .	. . .	5.0[11][13]
Wyo.[2]	More than 4.5% of payrolls	0	Not specified	3.5% of payrolls	2.7	2.7[13]

*All ERs pay at rate of 3.3% for CY's 1978 and 1979.

(Footnotes on next page)

(Footnotes for Table 206.)

1/ Excludes P.R. and the V.I. which have no experience rating provisions. See also Table 207.

2/ Payroll used is that for last yr. except as indicated: last 3 yrs., Conn.; average 3 yrs., Va.; last yr. or 3-yr. average, whichever is lesser, R.I. or greater, N.Y. Benefits used are last 5 yrs., Okla.

3/ One rate schedule but many schedules of different requirements for specified rates applicable with different State experience factors, Ala. In Miss., variations in rates based on general experience rate and excess payments adjustment rate. If the former is less than 0.5%, the latter is not added. In Va., an indefinite number of schedules; when fund falls below 3-1/2% (3% after July 1, 1981) of taxable payrolls, rates increased by 40% of each ER's rate, rounded to nearest 0.01%.

4/ No requirements for fund balance in law; rates set by agency in accordance with authorization in law.

5/ Fund requirement is 1 or 2 of 3 adjustment factors used to determine rates. Such a factor is either added or deducted from an ER's benefit ratio, Fla. In Pa., reduced rates are suspended for ERs whose reserve account balance is zero or less. Rate shown includes the maximum contribution (a uniform rate added to ER's own rate) paid by all ERs: in Del., 0.1 to 1.5% according to a formula based on highest annual cost in last 15 yrs.; in N.Y., and Pa., 0.1 to 1.0%.

6/ Suspension of reduced rates is effective until next Jan. 1 on which fund equals $65 million, W.Va. Higher rate schedule used whenever benefits charged exceeds contributions paid in any year, N.H.

7/ Rate schedule applicable depends upon fund solvency factor. A 0.4 factor is required for any rate reduction and a 1.8 factor required for most favorable rate schedule, Ky. No rate schedules; ERs are grouped according to their yrs. of experience, and rates for each group are the aggregate of a funding factor, an experience factor and a State adjustment factor, Pa.

8/ Minimum normal amount in Ala. is 1-1/2 x the product of the payrolls of any 1 of the most recent 3 yrs. and the highest benefits payroll ratio for any 1 of the 10 most recent FYs. Reserve multiple is the ratio of the reserve rate to the highest benefit cost rate, Alaska. Adequate reserve fund defined as 1.5 x highest benefit cost rate during past 10 yrs. multiplied by total taxable remuneration paid by ERs in same yr., Hawaii. Minimum safe level defined as 1-1/4 x the highest benefit cost rate times total payroll for the calendar year prior to computation date, Ohio. Highest benefit cost rate determined by dividing: the highest amount of benefits paid during any consec. 12-month period in the past 10 yrs. by total wages during the 4 CQs ending within that period, Vt.; total benefit payments during past 10 years by wages paid during past year, Iowa.

9/ For every $7 million by which the fund falls below $450 million, State experience factor increased 1%; for every $7 million by which the fund exceeds $450 million, State experience factor reduced by 1%, Ill. Each ER's rate is reduced by 0.1% for each $5 million by which the fund exceeds $325 million and increased by 0.1% for each $5 million under $225 million. Max. rate could be increased to 8.5% if fund is exhausted, Tex.

(Footnotes continued on next page)

(Footnotes for Table 206 continued)

10/ Rates are reduced by distribution of surplus. When ratio of fund balance to total remuneration is at least 4.1, 4.8, and 5.2%, max. percentage of total remuneration deemed surplus is 0.40, 0.55 and 0.70% respectively. No surplus exists if fund balance does not exceed 4% of total remuneration.

11/ Rates shown do not include: additional rate of 0.5% added to each ER's rate each year until there is no outstanding indebtedness to the Federal Unemployment Fund, Ala.; additional tax of 0.1% payable by every ER to defray the cost of extended benefits nor the stabilization tax ranging from 0.1% to 0.3% payable by every ER when the fund falls below a specified percentage of payrolls, Ark.; emergency tax of 0.3% to 0.9% effective whenever the amount in the fund is less than $100,000,000, Ill.; additional solvency contribution of from 0.1% to 1.0% applicable when the reserve percentage in the solvency account is less than 0.5%, Mass.; solvency rate of .5% added to every ER's rate whenever the agency determines that an emergency exists, N.H.; an added rate of 0.5% added to every ER's rate whenever the ratio of benefits paid during the preceding 6 months divided by the amount in the fund at the end of the CY is less than 3, Vt.; a solvency contribution for the fund's balancing account which is based on the adequacy level of such account; however, if the reserve percentage is zero or more, the solvency contribution is diverted from the regular contribution, Wis.

12/ Subject to adjustment in any given yr. when yield estimated on computation date exceeds or is less than the estimated yield from the rates without adjustment.

13/ Max. possible rate same as that shown except in Md., where delinquent ER's pay an additional 2%; Ariz., Fla. and Wyo. where additional tax of an unspecified amount may be required.

14/ No ER's rate shall be more than 3.0% if for each of 3 immediately preceding yrs. his contributions exceeded charges.

15/ Or 3% of payrolls, if greater.

TABLE 207.--FUND REQUIREMENTS FOR ANY REDUCTION FROM STANDARD RATE, 18 STATES 1/

State	Millions of dollars (4 States)	Multiple of benefits paid (1 State)		Percent of payrolls (12 States)	
		Multiple	Years	Percent	Years
(1)	(2)	(3)	(4)	(5)	(6)
Ariz.	. . . . .	. . . . .	. . . . .	3	Last 1
D.C.	. . . . .	. . . . .	. . . . .	2.4	Last 1
Hawaii	15	. . . . .	. . . . .	. . . . .	. . . .
Idaho	. . . . .	. . . . .	. . . . .	1.75	Last 1
Ind. 3/	75	. . . . .	. . . . .	. . . . .	. . . .
Iowa 3/	. . . . .	2	Last 1	. . . . .	. . . .
Ky.	. . . . .	. . . . .	. . . . .	*(2)*	*(2)*
Md.	. . . . .	. . . . .	. . . . .	2	Last 1
Miss.	. . . . .	. . . . .	. . . . .	4	Last 1
Mont. 1/	. . . . .	. . . . .	. . . . .	1	Last 1
N.H. 1/	. . . . .	. . . . .	. . . . .	. . . . .	. . . .
N.Mex.	. . . . .	. . . . .	. . . . .	1	Last 1
N.Dak.	. . . . .	. . . . .	. . . . .	3	Last 1
S.Dak.	5	. . . . .	. . . . .	. . . . .	. . . .
Utah	. . . . .	. . . . .	. . . . .	0.5	Last 1
Wash. 1/	. . . . .	. . . . .	. . . . .	4.0	Last 1
W.Va. 1/	60	. . . . .	. . . . .	. . . . .	. . . .
Wyo.	. . . . .	. . . . .	. . . . .	3.5	Last 1

1/ Suspension of reduced rates is effective until next Jan. 1 on which fund equals $65 million, W.Va.; at any time, if benefits paid exceed contributions credited, N.H.

2/ Rate schedule applicable depends upon "fund solvency factor." An 0.4 factor required for any rate reduction, Ky.

3/ No ER's rate may be less than 1.8% unless the fund balance is at least twice the amount of benefits paid in last year, nor may any ER's rate be less than 2.7% unless total assets of fund in any CQ exceeds total benefits paid from fund within the first 4 of the last 5 completed CQ's preceding that quarter.

TABLE 208.--BOND OR DEPOSIT REQUIRED OF EMPLOYERS ELECTING REIMBURSEMENT, 29 STATES

State	Provision is		Amount		
	Mandatory (10 States)	Optional (19 States)	Percent of total payrolls (7 States)	Percent of taxable payrolls[1] (17 States)	Other (5 States)
(1)	(2)	(3)	(4)	(5)	(6)
Ala.	X			(2)	
Alaska		X			(3)
Ariz.					
Ark.					
Calif.		[7]			
Colo.		X[4]		(2)	
Conn.		X[4]		(2)	
Del.					
D.C.		X		0.25	
Fla.					
Ga.		X[5]	2.7		
Hawaii	X		0.2		
Idaho		X			(2)
Ill.					
Ind.					
Iowa	X			2.7	
Kans.		X[7]		3.6	
Ky.		X[7]	2.0		
La.					
Maine		X		(6)	
Md.	X			2.7	
Mass.		X		(2)	
Mich.					
Minn.					
Miss.		X		2.7	
Mo.					
Mont.					
Nebr.					
Nev.					
N.H.					
N.J.		X[4]		(2)	
N.Mex.		X[4]			(3)
N.Y.					
N.C.					
N.Dak.					
Ohio	X			3.0[2]	
Okla.					
Oreg.	X		(8)		
Pa.	X			1.0	
P.R.					
R.I.					
S.C.		(4)	(4)		

(Table continued on next page)

TABLE 208.--BOND OR DEPOSIT REQUIRED OF EMPLOYERS ELECTING REIMBURSEMENT, 29 STATES (CONTINUED)

State	Provision is		Amount		
	Mandatory (10 States)	Optional (19 States)	Percent of total payrolls (7 States)	Percent of taxable payrolls[1] (17 States)	Other (5 States)
(1)	(2)	(3)	(4)	(5)	(6)
S.Dak.	. . . . .	X	. . . . .	*(2)*	. . . .
Tenn.	. . . . .	. . . . .	. . . . .	. . . . .	. . . .
Tex.	. . . . .	X	*(6)*	. . . . .	. . . .
Utah	. . . . .	X	*(2)*	. . . . .	. . . .
Vt.[9]	. . . . .	. . . . .	. . . . .	. . . . .	. . . .
Va.[9]	. . . . .	X	. . . . .	*(2)*	. . . .
V.I.	X	. . . . .	. . . . .	1.35	. . . .
Wash.	. . . . .	X	. . . . .	. . . . .	*(2)*
W.Va.	. . . . .	. . . . .	. . . . .	. . . . .	. . . .
Wis.	X	. . . . .	. . . . .	4.0[2]	. . . .
Wyo.	X	. . . . .	. . . . .	. . . . .	*(3)*

[1] First $4,200 of each worker's annual wages.

[2] Amount determined by director or administrator: not to exceed 2.7%, Ala., 1.0%, Utah; on basis of potential benefit cost, Idaho; greater of 3 x amount of regular and 1/2 extended benefits paid, based on service within past yr. or sum of such payments during past 3 yrs. but not to exceed 3.6% nor less than 0.1%, Colo.; not more than $500,000, Ohio. Sufficient to cover benefit costs but not more than the amount organization would pay if it were liable for contributions, Wash.; determined by commission based on taxable wages for preceding yr., Va.; for the preceding yr. or anticipated payroll for current yr., whichever is greater, Wis.; max. effective tax rate x organizations' taxable payroll, S.Dak.; not to exceed the maximum contribution rate in effect, Conn., Mass., N.J.

[3] Specifies that amount shall be determined by regulation, Alaska; no amount specified in law, N.Mex. In Wyo., amount of bond may range from $300 to $30,000, depending on ER's gross payroll.

[4] If administrator deems necessary because of financial conditions, Conn.; only for nonprofit organizations whose elections have been terminated for delinquent payments, N.Mex.; commission may adopt regulations requiring bond from nonprofit organizations which do not possess real property and improvements valued in excess of $2 million; regulation requires bond or deposit of minimum of $2,000 for ERs with annual wages of $50,000 or less, for annual wages exceeding $50,000, an additional $1,000 bond required for each $50,000 or portion thereof, S.C.

[5] Exempts nonprofit institutions of higher education from any requirement to make a deposit.

[6] By regulation; not less than 2.0% nor more than 5.0% of taxable wages, Maine; higher of 5.0% of total anticipated wages for next 12 months or amount determined by the commission, Tex.

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(Footnotes for Table 208 continued)

7/ Regulation states that bond or deposit shall be required only if, as computed, it is $100 or more, Colo.; bond or deposit required as condition of election unless commissioner determines that the employing unit or a guarantor possesses equity in real or personal property equal to at least double the amount of bond or deposit required, Ky.

8/ Amount for payrolls under $100,000 is 2.0%; $100,000-$499,999, 1.5%; $500,000-$999,999, 1.0%; $1 million and over, 0.5%, but not more than the max. contribution that would be payable.

9/ Provision inoperative.

TABLE 209.--FINANCING PROVISIONS FOR GOVERNMENTAL ENTITIES

State	Single Choice for State[1]	Options-- Reimbursement	Regular contributions	Special schedule[11]
(1)	(2)	(3)	(4)	(5)
Ala.	X	X	X	
Alaska		X	X	
Ariz.		X	X	
Ark.		X	X	
Calif.		X[6]	X	X[6]
Colo.	X	X	X	
Conn.	X	X	X	
Del.		X	X	
D.C.		X	X[8]	
Fla.		X	X	
Ga.		X	X	
Hawaii		X	X	
Idaho		X	X	
Ill.	X[1]	X		X
Ind.		X	X[9]	
Iowa		X		X
Kans.		X	X	X
Ky.		X	X	
La.		X	X	X
Maine		X	X	
Md.		X	X	
Mass.		X		X
Mich.		X	X	
Minn.		X	X	
Miss.	X	X	X	
Mo.		X	X	
Mont.		X		X
Nebr.		X	X	
Nev.		X	X	
N.H.	X	X	X	
N.J.		X[7]	X	
N.Mex.	X	X[7]	X	X[7]
N.Y.		X	X	
N.C.		X	X	
N.Dak.		X	X	X
Ohio		X	X	
Okla.	X[3]	X		X
Oreg.	X	X	X	X
Pa.	X	X	X	
P.R.		X	X	
R.I.		X	X	
S.C.		X	X	
S.Dak.	X	X	X	
Tenn.		X		X
Tex.		X		X
Utah	X[4]	X	X	
Vt.	X[4]	X	X	

(Table continued on next page)

TABLE 209.--FINANCING PROVISIONS FOR GOVERNMENTAL ENTITIES (CONTINUED)

State	Single Choice for State[1]	Options-- Reimbursement	Regular contributions	Special schedule[11]
(1)	(2)	(3)	(4)	(5)
Va.	. . . . .	X	X	. . . . .
V.I.	X[5]	. . . . .	. . . . .	. . . . .
Wash.	X	X	X[10]	X[10]
W.Va.	. . . . .	X	X	. . . . .
Wis.	X	X	X[9]	. . . . .
Wyo.	. . . . .	X	X	. . . . .

[1] All States except Oklahoma require reimbursement, see footnote 3. Ill. finances benefits paid to State employees by appropriation to the State Department of Labor which then reimburses the unemployment compensation fund for benefits paid.

[3] Requires State and any political subdivision electing contributions to pay 1.0% of wages into the State unemployment compensation fund.

[4] State institutions of higher education have option of contributions or reimbursement; all other State agencies must reimburse.

[5] No distinguishable political subdivisions in the Virgin Islands.

[6] Local Public Entity Employee's Fund and School Employee's Fund have been established in the State Treasury to which political subdivisions and schools, respectively, contribute a percentage of their payrolls and from which the State unemployment compensation fund is reimbursed for benefits paid.

[7] Political subdivisions may also participate in a Local Public Body Unemployment Compensation Reserve Fund managed by the Risk Management Division. See text for details.

[8] Governmental entities that elect contributions pay on gross rather than taxable wages and at an initial rate of 0.25% until a rate can be computed the year following election of contributions based on the ER's experience.

[9] Governmental entities that elect contributions pay at 0.1% rate until they have 36 months of experience, Ind., at 2.7% rate for the first 3 years of election, Wis.

[10] Counties, cities and towns may elect either regular reimbursement or the Local Government Tax. Other political subdivisions may elect either regular reimbursement or regular contributions. See text for details.

[11] See text for details.